

Payday Changes Coming Soon

King County moving to biweekly pay cycle January 2012

In January 2012, King County employees currently paid from the semimonthly payroll system will be moved to the biweekly payroll system.

The information below provides details on some of the important differences between the semimonthly and biweekly payroll systems.

What you need to know.

PAYCHECK CHANGES

- There are 26 paychecks in the biweekly pay cycle compared to 24 paychecks in a semimonthly pay cycle.
- Working 40 hours a week = 80.00 hours per paycheck instead of 86.6667 hours as in the semimonthly pay cycle.
- Working 35 hours a week = 70.00 hours per paycheck instead of 75.8333 hours as in the semimonthly pay cycle.
- Moving to a biweekly pay cycle means that you will receive 26 paychecks per year instead of 24; however, your base rate will remain the same. Because you receive 26 paychecks a year, each biweekly paycheck will be approximately 8% smaller than your semimonthly paycheck.

IMPORTANT DATES

- Your last semimonthly paycheck will be paid on **January 5, 2012**. This paycheck covers December 16 – 31, 2011 and completes the semimonthly pay cycles.
- The **January 19, 2012** paycheck will cover only the hours worked from January 1 – 6, 2012 because the first eight days of the biweekly pay period were included on the January 5, 2012 paycheck.
- Your first full biweekly paycheck will be paid on **February 2, 2012**. This paycheck covers the first full biweekly pay period January 7 – 20, 2012 and begins the biweekly pay cycles.
- Regular biweekly paychecks will be paid every other Thursday beginning **February 2, 2012**.

IMPORTANT INFORMATION

The following information details some of the changes you can expect with the transition to a biweekly pay cycle:

Two more paychecks per year

By moving to a biweekly pay cycle, you will receive 26 paychecks a year instead of 24 paychecks as in the semimonthly system. Most months you will receive two paychecks, but during two months of the year you will receive a third paycheck.

Paydays

In the semimonthly payroll system, you were paid on the 5th and 20th of each month, and received 24 paychecks per year. In the biweekly cycle you will be paid **every other Thursday** and receive 26 paychecks per year.

Automatic withdrawals and payments

Because the payday calendar and your paycheck amount will change, consider contacting your financial institution to adjust the amount and timing of automatic payments or transfers used to pay mortgages, loans, utilities or other bills.



King County

PAYROLL EXAMPLE

Below is an example of how the move to a biweekly pay cycle may impact a semimonthly paid employee.

For example: Full-time employee earning \$22.6802 per hour.

52 weeks/year x 40 hours/week = 2080 annual work hours.

Semimonthly (SM) Schedule

SM Hours: 2080 hours ÷ 24 pay periods = 86.6666 hours per pay period.

SM Salary: \$22.6802/hour x 86.6666 hours = \$1,965.62 **gross** per pay period.

Biweekly (BW) Schedule

BW Hours: 2080 hours ÷ 26 pay periods = 80.00 hours per pay period.

BW Salary: \$22.6802/hour x 80 hours = \$1,814.42 **gross** per pay period.

This example shows a **gross** difference of -\$151.20 (-7.69%) between a semimonthly and biweekly paycheck for a full-time employee earning \$22.6802 per hour.

PAYCHECK CHANGES TABLE

The table below provides a sample calculation of the difference between a semimonthly and a biweekly paycheck for a married employee with no exemptions. Please note that the table below illustrates the net pay, and does not include, premium payments, union dues and other items that may affect the net ("take home") pay.

	Semi-Monthly (24 pay periods)	Biweekly (26 pay periods)
Hourly Rate	\$22.6802	\$22.6802
Normal/Regular Hours	86.6666	80.00
Gross Earnings	\$1,965.62	\$1,814.42
Income Tax	(-\$198.54)	(-\$183.25)
FICA/MED	(-\$111.06)	(-\$102.51)
PERS2	(-\$76.66)	(-\$70.76)
Industrial Insurance	(-\$4.68)	(-\$4.32)
Total Deductions	(-\$390.94)	(-\$360.84)
Net Pay Period Pay	\$1,574.68	\$1,453.58
Gross Annual Pay	\$47,174.88	\$47,174.92
Net Annual Pay	\$37,792.32	\$37,793.08